

UNITED STATES OF AMERICA DEPARTMENT OF TRANSPORTATION OFFICE OF THE SECRETARY WASHINGTON, D.C.

Issued by the Department of Transportation on June 11, 1998

NOTICE OF ACTION TAKEN -- DOCKET OST 98-3563

This serves as notice to the public of the action described below, taken by the Department official indicated (no additional confirming order will be issued in this matter).

Applicant: SERVICIOS de ALQUILER AEREO, S.A. de C.V. Date Filed: February 26, 1998

Relief requested: Exemption from 49 USC section 41301 to permit the applicant to conduct passenger charter operations between Mexico and the United States, and other passenger charter operations in accordance with 14 CFR Part 212, using small equipment.

Applicant representative: Julio Gonzalez Santos (1209 San Dario Ave., Suite 7-680, Laredo, TX 78040-4505)

Responsive pleadings: None.

DISPOSITION

Action: Approved. Action date: June 11, 1998

Effective dates of authority granted: June 11, 1998, through June 11, 1999.

Basis for approval (bilateral agreement/reciprocity): United States-Mexico Air Transport Services Agreement of August 15, 1960, as amended and extended (Agreement).

Except to the extent exempted/waived, this authority is subject to the terms, conditions, and limitations indicated:

X Standard exemption conditions.

Special conditions/Partial grant/Denial basis/Remarks: We find that the carrier is operationally and financially qualified to conduct the operations it proposes and that it is substantially owned and effectively controlled by citizens of Mexico. In the conduct of these operations, the carrier must adhere to all applicable provisions of the U.S.-Mexico Agreement. In the conduct of these operations, the carrier may only use aircraft capable of carrying no more than 60 passengers and having a maximum payload capacity of no more than 18,000 pounds (small equipment). The above grant includes authority to conduct Third and Fourth Freedom charter operations. While we have subjected, consistent with the provisions of the Agreement, Mexican carriers conducting charter operations with large aircraft to prior approval of their Third and Fourth Freedom charters (see Order 92-2-7 at 5), we determined that a Third/Fourth Freedom prior-approval requirement was not necessary on public interest grounds in the case of this carrier, since it will be conducting these operations solely with small aircraft. (Other charter operations to/from the United States under this authority, however, are subject to prior approval under 14 CFR Part 212.) Further, we are continuing to allow Mexican carriers conducting passenger charters using small equipment to make stopovers in the United States in the conduct of such operations.

Action taken by: Paul L. Gretch, Director

Office of International Aviation

Under authority assigned by the Department in its regulations, 14 CFR Part 385, we found that (1) immediate action was required and was consistent with Department policy; (2) grant of the exemption was consistent with the public interest; and (3) grant of the authority would not constitute a major regulatory action under the Energy Policy and Conservation Act of 1975. To the extent not granted, we denied all requests in the referenced Docket. We may amend, modify, or revoke the authority granted in this Notice at any time without hearing at our discretion.

Persons entitled to petition the Department for review of the action set forth in this Notice under the Department's regulations, 14 CFR §385.30, may file their petitions within ten (10) days after the date of issuance of this Notice. This action was effective when taken, and the filing of a petition for review will not alter such effectiveness.